

Square, Inc.
1455 Market Street
MSC 415
San Francisco, CA 94103

If you have questions contact:
1099k@squareup.com



Sara Wood
21142 HUNTINGTON SQ APT 202
STERLING, VA 20166-6544

Instructions for Payee

You have received this form because you have either (a) accepted payment cards for payments, or (b) received payments through a third party network that exceeded \$20,000 in gross total reportable transactions and the aggregate number of those transactions exceeded 200 for the calendar year. Merchant acquirers and third party settlement organizations, as payment settlement entities (PSEs), must report the proceeds of payment card and third party network transactions made to you on Form 1099-K under Internal Revenue Code section 6050W. The PSE may have contracted with an electronic payment facilitator (EPF) or other third party payer to make payments to you.

If you have questions about the amounts reported on this form, contact the FILER whose information is shown in the upper left corner on the front of this form. If you do not recognize the FILER shown in the upper left corner of the form, contact the PSE whose name and phone number are shown in the lower left corner of the form above your account number.

See the separate instructions for your income tax return for using the information reported on this form.

Payee's taxpayer identification number (TIN). For your protection, this form may show only the last four digits of your TIN (social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN)). However, the issuer has reported your complete TIN to the IRS.

Account number. May show an account number or other unique number the PSE assigned to distinguish your account.

Box 1a. Shows the aggregate gross amount of payment card/third party network transactions made to you through the PSE during the calendar year.

Box 1b. Shows the aggregate gross amount of all reportable payment transactions made to you through the PSE during the calendar year where the card was not present at the time of the transaction or the card number was keyed into the terminal. Typically, this relates to online sales, phone sales, or catalogue sales. If the box for third party network is checked, or if these are third party network transactions, Card Not Present transactions will not be reported.

Box 2. Shows the merchant category code used for payment card/third party network transactions (if available) reported on this form.

Box 3. Shows the number of payment transactions (not including refund transactions) processed through the payment card/third party network.

Box 4. Shows backup withholding. Generally, a payer must backup withhold if you did not furnish your TIN or you did not furnish the correct TIN to the payer. See Form W-9, Request for Taxpayer Identification Number and Certification, and Pub. 505. Include this amount on your income tax return as tax withheld.

Boxes 5a-5l. Shows the gross amount of payment card/third party network transactions made to you for each month of the calendar year.

Boxes 6-8. Shows state and local income tax withheld from the payments.

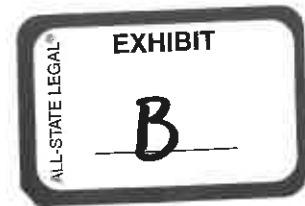
Future developments. For the latest information about developments related to Form 1099-K and its instructions, such as legislation enacted after they were published, go to www.irs.gov/Form1099K.

☐ CORRECTED (if checked)

FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. Square, Inc. 1455 Market Street MSC 415 San Francisco, CA 94103		FILER'S TIN [REDACTED]	OMB No. 1545-2205 2019	Payment Card and Third Party Network Transactions
PAYEE'S TIN [REDACTED]		1a Gross amount of payment card/third party network transactions \$ 201,236.00	Form 1099-K	
1b Card Not Present transactions \$ 192,266.00		2 Merchant category code 8699	Copy B For Payee This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if taxable income results from this transaction and the IRS determines that it has not been reported.	
3 Number of payment transactions 578		4 Federal income tax withheld \$		
5a January \$ 15,195.00		5b February \$ 21,877.00		
5c March \$ 24,130.00		5d April \$ 16,532.00		
5e May \$ 8,170.00		5f June \$ 19,433.00		
5g July \$ 17,214.00		5h August \$ 21,030.00		
5i September \$ 14,547.00		5j October \$ 22,093.00		
5k November \$ 12,357.00		5l December \$ 8,658.00		
6 State VA		7 State identification no. 30-800429876F-001		
8 State income tax withheld \$				
Check to indicate if FILER is a (an): Payment settlement entity (PSE) <input checked="" type="checkbox"/> X Electronic Payment Facilitator (EPF)/Other third party <input type="checkbox"/>		Check to indicate transactions reported are: Payment card <input type="checkbox"/> Third party network <input checked="" type="checkbox"/> X		
PAYEE'S name, street address (including apt. no.), city or town, state or province, country, and ZIP or foreign postal code Sara Wood 21142 HUNTINGTON SQ APT 202 STERLING, VA 20166-6544				
PSE'S name and telephone number Square, Inc. 1099k@squareup.com				
Account number (see instructions) 3E95F461-601310				

Square, Inc.
1455 Market Street
MSC 415
San Francisco, CA 94103

If you have questions contact:
1099k@squareup.com



Metropolitan Area Credit Union Mgmt Assn
9707 Key West Ave
100
Rockville, MD 20850

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Box 2. Shows the merchant category code used for payment card/third party network transactions (if available) reported on this form.

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Boxes 5a-5l. Shows the gross amount of payment card/third party network transactions made to you for each month of the calendar year.

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Future developments. For the latest information about developments related to Form 1099-K and its instructions, such as legislation enacted after they were published, go to www.irs.gov/Form1099K.

☒ CORRECTED (if checked)

FILER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.

Square, Inc.
1455 Market Street
MSC 415
San Francisco, CA 94103

FILER'S TIN

PAYEE'S TIN

OMB No. 1545-2205

2019

Payment Card and Third Party Network Transactions

Check to indicate if FILER is a (an):
Payment settlement entity (PSE) ☒

Electronic Payment Facilitator
(EPF)/Other third party ☐

Check to indicate transactions
reported are:

Payment card ☐

Third party network ☒

1a Gross amount of payment
card/third party network
transactions
\$ 201,236.00

1b Card Not Present
transactions
\$ 192,266.00

3 Number of payment
transactions
578

Form 1099-K

2 Merchant category code

8699
4 Federal income tax
withheld
\$

Copy B For Payee

This is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if taxable income results from this transaction and the IRS determines that it has not been reported.

PAYEE'S name, street address (including apt. no.), city or town, state or province, country, and ZIP or foreign postal code

Metropolitan Area Credit Union Mgmt Assn
9707 Key West Ave
100
Rockville, MD 20850

PSE'S name and telephone number

Square, Inc. 1099k@squareup.com

Account number (see instructions) 3E95F461-601310

5a January

\$ 15,195.00

5c March

\$ 24,130.00

5e May

\$ 8,170.00

5g July

\$ 17,214.00

5i September

\$ 14,547.00

5k November

\$ 12,357.00

6 State

VA

5b February

\$ 21,877.00

5d April

\$ 16,532.00

5f June

\$ 19,433.00

5h August

\$ 21,030.00

5j October

\$ 22,093.00

5l December

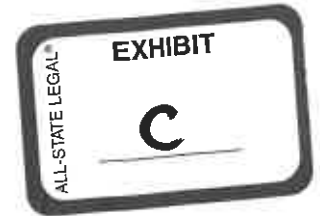
\$ 8,658.00

7 State identification no.

30-800429876F-001

8 State income tax withheld

\$



UNITED STATES TAX COURT

SARA L. WOOD,

Petitioner,

v.

COMMISSIONER OF INTERNAL
REVENUE,

Respondent.

)
)
)
)
) Docket No. 8600-21
)
)
)
)
)

DECISION

Pursuant to the agreement of the parties in this case, it is

ORDERED and DECIDED: That there is no deficiency in income tax due from, nor overpayment due to, the petitioner for the taxable year 2018; and

That there is no penalty due from the petitioner for the taxable year 2018 under the provisions of I.R.C. §6662(a).

(Signed) Emin Toro
Judge

* * * * *


Entered and Served 04/21/22


Docket No. 8600-21

- 2 -

It is hereby stipulated that the Court may enter the foregoing decision in this case.

DRITA TONUZI
Deputy Chief Counsel (Operations)
Internal Revenue Service


JOHN FRANKLIN RODGERS
Counsel for Petitioner
Tax Court Bar No. RJ0840
520 King Street, Suite 301
Alexandria, VA 22314
Telephone: (703) 684-4000
jfrogders@rpb-law.com

By: 
RYAN Z. SARAZIN
Attorney
(Small Business/Self-Employed)
Tax Court Bar No. SR1704
1111 Constitution Ave NW
Building K, MS -2602
Washington, DC 20224
Telephone: (202)-803-9098
ryan.z.sarzin@irs.counsel.treas.gov

Date: 4/17/2022

Date: 4/19/22

UNITED STATES TAX COURT

www.ustaxcourt.gov(FIRST) (MIDDLE) (LAST)
Sara L. Wood

(PLEASE TYPE OR PRINT) _____ Petitioner(s)

v.

COMMISSIONER OF INTERNAL REVENUE,

Respondent

Docket No.

PETITION

1. Please check the appropriate box(es) to show which IRS ACTION(S) you dispute:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Notice of Deficiency | <input type="checkbox"/> Notice of Determination Concerning Relief From Joint and Several Liability Under Section 6015 (or Failure of IRS to Make Determination Within 6 Months After Election or Request for Relief)* |
| <input type="checkbox"/> Notice of Determination Concerning Collection Action | <input type="checkbox"/> Notice of Certification of Your Seriously Delinquent Federal Tax Debt to the Department of State |
| <input type="checkbox"/> Notice of Final Determination for [Full/Partial] Disallowance of Interest Abatement Claim (or Failure of IRS to Make Final Determination Within 180 Days After Claim for Abatement)* | <input type="checkbox"/> Notice of Determination Under Section 7623 Concerning Whistleblower Action* |
| <input type="checkbox"/> Notice of Determination of Worker Classification* | |

*For additional information, please see "Taxpayer Information: Starting a Case" at www.ustaxcourt.gov (accessible by hyperlink from asterisks above, or in the Court's information booklet).

2. If applicable, provide the date(s) the IRS issued the NOTICE(S) checked above and the city and State of the IRS office(s) issuing the NOTICE(S): April 5, 2021 from Philadelphia, PA 19255-0521

3. Provide the year(s) or period(s) for which the NOTICE(S) was/were issued: 2018

4. SELECT ONE OF THE FOLLOWING (unless your case is a whistleblower or a certification action):

If you want your case conducted under small tax case procedures, check here: ☐ (CHECK
If you want your case conducted under regular tax case procedures, check here: ☒ ONE BOX)

NOTE: A decision in a "small tax case" cannot be appealed to a Court of Appeals by the taxpayer or the IRS. If you do not check either box, the Court will file your case as a regular tax case.

5. Explain why you disagree with the IRS determination in this case (please list each point separately):

Taxpayer did not receive income reported to her on 1099K from Square, Inc. She was a nominee for
Metropolitan Area Credit Union Management Association (MACUMA) which received all income. Square, Inc.
filed new 1099K showing income was received by MACUMA, but refused to file a corrected 1099K showing no income
taxpayer.

Assessment of \$61,206 and assessment of \$12,241 of penalties is erroneous.

6. State the facts upon which you rely (please list each point separately):

Taxpayer had a client who wanted to process credit card payments for dues. Taxpayer set up the account for the client with Square, Inc. Square, Inc. attributed all her client's receipts for the years 2017-2020 to Taxpayer via 1099K in the sum of \$179,288. She did not receive this form, and when she learned about it from 2017, she asked Square, Inc. to change it and they did showing client received funds but refused to file an amended one showing payments of \$0 to her. The result was the Service issuing the Notice of Deficiency in the amount of \$61,205 with \$12,241 of penalties which is erroneous. She was a mere nominee. Exhibits A & B are incorporated by reference herein.

You may use additional pages to explain why you disagree with the IRS determination or to state additional facts. Please do not submit tax forms, receipts, or other types of evidence with this petition.

ENCLOSURES:

Please check the appropriate boxes to show that you have enclosed the following items with this petition:

- ☒ A copy of any NOTICE(S) the IRS issued to you
- ☒ Statement of Taxpayer Identification Number (Form 4) (See PRIVACY NOTICE below)
- ☒ The Request for Place of Trial (Form 5) ☒ The filing fee

PRIVACY NOTICE: Form 4 (Statement of Taxpayer Identification Number) will not be part of the Court's public files. All other documents filed with the Court, including this Petition and any IRS Notice that you enclose with this Petition, will become part of the Court's public files. To protect your privacy, you are strongly encouraged to omit or remove from this Petition, from any enclosed IRS Notice, and from any other document (other than Form 4) your taxpayer identification number (e.g., your Social Security number) and certain other confidential information as specified in the Tax Court's "Notice Regarding Privacy and Public Access to Case Files", available at www.ustaxcourt.gov.

SIGNATURE OF PETITIONER

DATE

(AREA CODE) TELEPHONE NO.

MAILING ADDRESS

CITY, STATE, ZIP CODE

State of legal residence (if different from the mailing address): _____ E-mail address (if any): _____

SIGNATURE OF ADDITIONAL PETITIONER (e.g., SPOUSE) DATE

(AREA CODE) TELEPHONE NO.

MAILING ADDRESS

CITY, STATE, ZIP CODE

State of legal residence (if different from the mailing address): _____ E-mail address (if any): _____

John F. Rodgers

SIGNATURE OF COUNSEL, IF RETAINED BY PETITIONER(S)

NAME OF COUNSEL

DATE

RJ0840

510 King Street, Suite 301, Alexandria, VA 22314

TAX COURT BAR NO.

MAILING ADDRESS, CITY, STATE, ZIP CODE

jfrodgers@rpb-law.com

(703) 684-2000

E-MAIL ADDRESS

(AREA CODE) TELEPHONE NO.